

ACCA gender pay gap – UK

 2018





This is the second year ACCA has published its UK gender pay information.

While we're not legally obliged to, we've chosen to track and report this important data. As a professional body with core values of opportunity and diversity, we recognise that we need to 'walk the talk' when it comes to our own workforce. Collecting and analysing this information has been illuminating and instructive; it has helped us think about the sorts of interventions needed to make ACCA a truly inclusive workplace.

Having this intelligence means we can better understand the drivers behind pay differentials and, most importantly, plan the steps we can take to eradicate them.

61% of our employees are women and **54% of our leadership group is female.**

And, since the snapshot date for this report, changes made to our executive team mean it is now gender balanced.

One other significant development to our senior team has been the creation of an executive director – people post. This recognises the importance we place on developing a culture and the policies and practices that drive workplace inclusivity and parity of reward.

We'll continue to publish this information annually and, most importantly, set out clearly how we are working to improve balance for the future.



Helen Brand
Chief executive



Julie Hotchkiss
Executive director – people



ACCA's commitment to gender pay gap reporting

At ACCA we have voluntarily committed to report our gender pay gap, even though we are not legally required to do so. We believe that creating transparency around our gender pay gap will support our overarching aim of creating a diverse and inclusive workplace for all of our employees.

Under the regulations, introduced last year, employers with over 250 employees are required to report a number of statistics as at 5 April each year – this is known as the 'snapshot' date. Due to the April implementation of our new global HR information system, and our annual salary review being paid in July and backdated to April, we have taken the decision, this year, to report our statistics as at **5 August 2018**.



The difference between gender pay and equal pay

The gender pay gap shows the difference in the average hourly earnings of men and women across an organisation regardless of their roles or industry sectors.

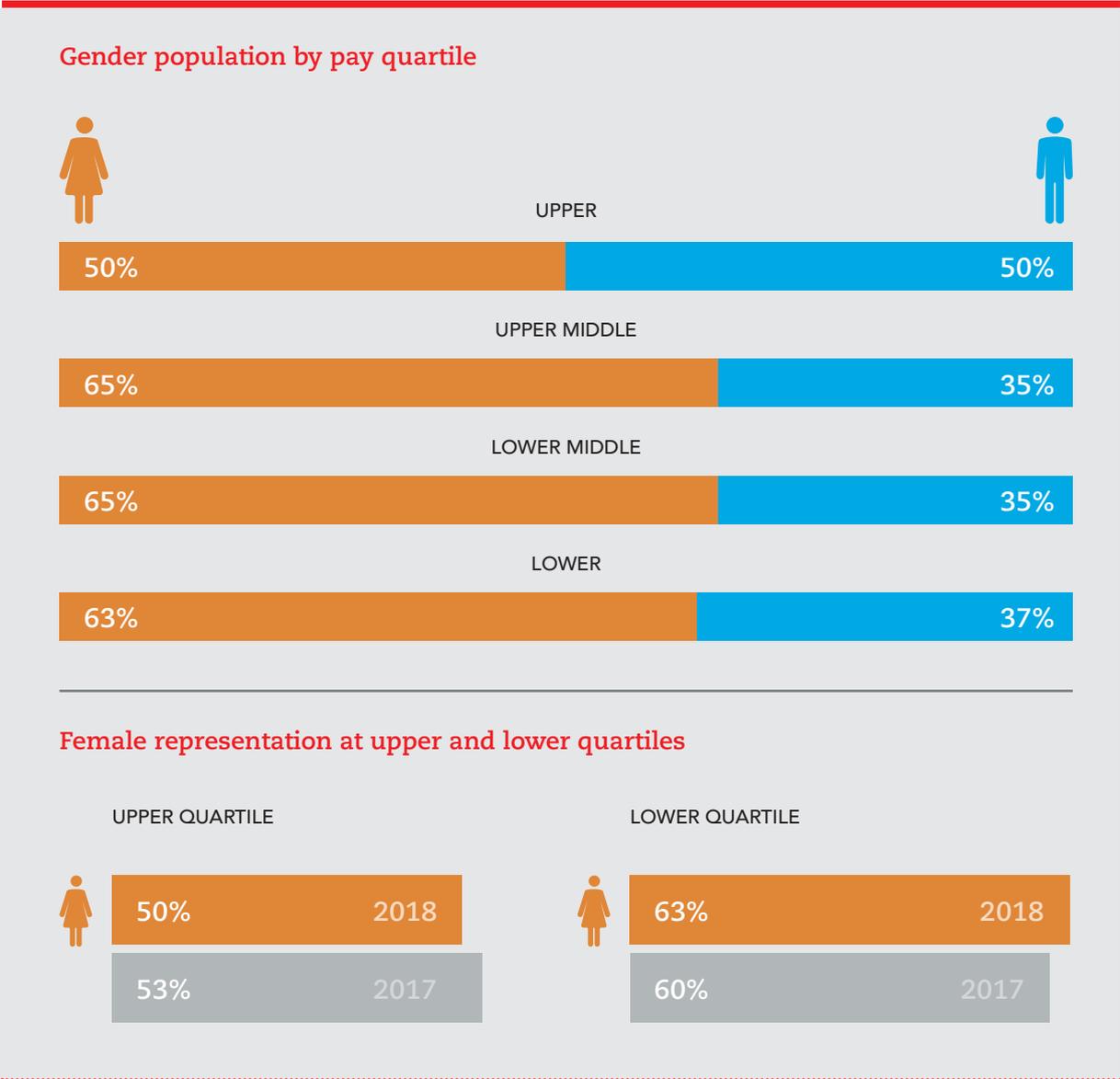
Equal pay, by contrast, considers the earnings of men and women doing the same jobs, similar jobs or work of equal value.



Our gender population by pay quartile

To determine our pay quartiles we calculated employees' hourly rate of pay and positioned them from lowest to highest; allocating employees into four equal pay bands on the basis of these hourly rates. The upper quartile represents those paid at the highest hourly rates and the lowest quartile represents those paid at the lowest hourly rates.

Although our overall pay quartiles in 2018 are not too dissimilar to those reported in 2017 there has been a slight reduction in the number of females in the upper pay quartile (50% compared to 53%) and a corresponding increase in the number of females in the lower pay quartile (63% up from 60%). These small changes in our workforce demographics have had quite a pronounced impact on our overall gender pay gap figures as illustrated below.





Definitions at a glance

Mean gender pay gap: The mean pay gap is the difference between the average hourly rate of pay for women in ACCA compared to the average hourly rate of pay for men.

Median gender pay gap: The median pay gap is the difference between the 'middle' hourly rate of pay for women in ACCA compared to the 'middle' hourly rate of pay for men if you rank all men and women's hourly rates in numerical order.

Our gender pay gap

Although ACCA's overall gender pay gap remains below the average national pay gap of 17.9%* both our mean and median pay gap figures have increased over the course of the year. Our analysis shows that the widening of the gap is due, mainly, to the changing demographics across the workforce over the relevant period.

At ACCA we are committed to gaining a deeper and more comprehensive understanding of the underlying reasons for our gender pay gap and are equally committed to taking action to address it. We see this as a key part of our holistic approach to diversity and a critical component in creating a balanced and inclusive workplace for employees.

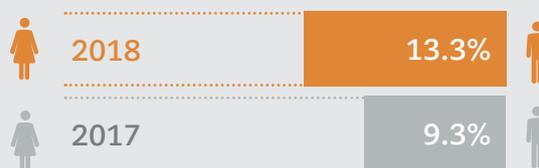
We are pleased that we have already seen positive movement in terms of the diversity of our senior leadership team since the effective date of data within this report. With the recent addition of two female executive directors, ACCA now has an executive leadership team which is truly gender balanced.

Gender pay gap

MEAN GENDER PAY GAP



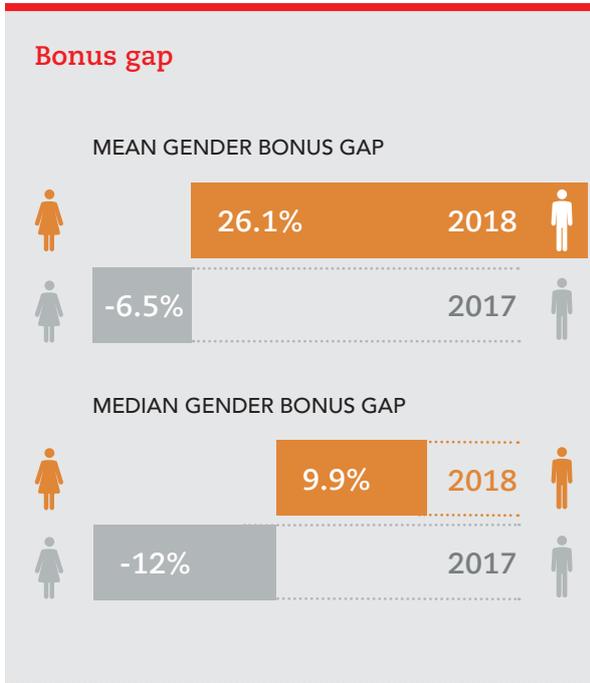
MEDIAN GENDER PAY GAP



Our bonus gap

The gender bonus gap mean and median figures have both increased significantly this year. The 2017 bonus calculation included only the employee-wide merit award figures; however, this year, all relevant bonus payments, including those made under the executive bonus scheme, have been included. This will continue to be the basis on which we report our gender pay gap in future years.

*Source: Office for National Statistics – Gender Pay Gap in the UK 2018 (published October 2018)



Understanding and taking action on ACCA's gender pay gap

At ACCA we are committed to gaining a comprehensive understanding of the underlying reasons for our gender pay gap.

Our new executive director – people role has a clear remit to drive our global inclusion agenda.

This role will play a pivotal part in creating a culture, and ways of working, across our organisation which is underpinned by the overarching principles of fairness and diversity.

A working group comprising of leads from our People directorate and representatives from across the organisation is being established. This group will review existing practices, processes and ways of working to gain insights and a deeper understanding of the underlying reasons for our gender pay gap. This will include an in-depth review and analysis of our:

- > end-to-end attraction, selection and hire practices
- > talent review process and all training, development and secondment opportunities
- > performance management and reward systems
and
- > employee satisfaction and engagement results.

The findings from this working group will form the basis of our gender pay gap action plan which will be shared with employees later this year. We envisage that this will be a multi-year plan recognising the complexity of the issues at play and the requirement to fundamentally challenge our current ways of working.

Our learning & development team is currently in the process of developing inclusive leadership training for people managers which is scheduled to be rolled out over the course of the year.

Proportion receiving a bonus



The composition of the executive team was predominantly male during the 12 month period to 5 August 2018 and the impact of this gender imbalance on the overall bonus gap figures is significant. Excluding executive team bonus payments the mean gender bonus gap in 2018 would be **8.5%** rather than **26.1%**.

Our overall belief is that by taking a long term and holistic approach – reviewing our existing ways of working from both a gender but also a wider diversity perspective – we will be in the best position to create a truly inclusive and inspiring workplace in which all ACCA employees have the opportunity to thrive.

ACCA

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Think Ahead